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EXAMINER
CAMPA, J

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Please find below and/or attached an Office communication concerning this application or proceeding.

Commissioner of Patents and Trademarks

☒ Responsive to communication(s) filed on _Apr 26, 1999_ .

☒ This action is **FINAL.**

☐ Since this application is in condition for allowance except for formal matters, **prosecution as to the merits is closed** in accordance with the practice under _Ex parte Quayle_, 1935 C.D. 11; 453 O.G. 213.

A shortened statutory period for response to this action is set to expire ____three____ month(s), or thirty days, whichever is longer, from the mailing date of this communication. Failure to respond within the period for response will cause the application to become abandoned. (35 U.S.C. § 133). Extensions of time may be obtained under the provisions of 37 CFR 1.136(a).

Disposition of Claims.

☒ Claim(s) _1-20_ is/are pending in the application.

Of the above, claim(s) _6_ is/are withdrawn from consideration.

☐ Claim(s) ____ is/are allowed.

☒ Claim(s) _1-5, 7-9, 11-15, and 17-19_ is/are rejected.

☒ Claim(s) _10, 16, and 20_ is/are objected to.

☐ Claims ____ are subject to restriction or election requirement.

Application Papers

☐ See the attached Notice of Draftsperson's Patent Drawing Review, PTO-948.

☐ The drawing(s) filed on ____ is/are objected to by the Examiner.

☒ The proposed drawing correction, filed on ___Apr 26, 1999___ is ☒approved ☐disapproved.

☐ The specification is objected to by the Examiner.

☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. § 119

☐ Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d).

☐ All ☐ Some* ☐ None of the CERTIFIED copies of the priority documents have been

☐ received.

☐ received in Application No. (Series Code/Serial Number) ____

☐ received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

*Certified copies not received: ____ .

☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).

Attachment(s)

☒ Notice of References Cited, PTO-892

☒ Information Disclosure Statement(s), PTO-1449, Paper No(s). _8, 10_

☐ Interview Summary, PTO-413

☐ Notice of Draftsperson's Patent Drawing Review, PTO-948

☐ Notice of Informal Patent Application, PTO-152

--- *SEE OFFICE ACTION ON THE FOLLOWING PAGES* ---

DETAILED ACTION

Response to Amendment

1.   The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action (*See* Serial No. 08/901,687, Paper No. 4). The text of those sections of Title 35, U.S. Code not otherwise provided in a prior Office action will be included in this action where appropriate.

2.   This action is responsive to the amendment filed 4/26/99.

3.   Claims 17-20 have been added. Claim 6 has been canceled. Claims 1-5 and 7-20 are now pending.

Drawings

4.   Applicant's proposed drawing changes are approved. Specifically, applicant has amended Figure 1 so as to include the label "Prior Art." In addition, Figures 3 and 4 were amended to cure objections made in Paper No. 4, Paragraphs 3 and 4. Accordingly, the objections to Figures 1, 3 and 4 on these grounds are withdrawn.

5.   The drawings were objected to for other minor informalities (*see* Paper No. 4, Paragraphs 5-7). Applicant has addressed all the objections by either amending the specification where appropriate or proposed drawing changes. All the foregoing amendments and the proposed drawing changes are approved by examiner. Accordingly, the objections to the drawings on these grounds are withdrawn.

6.   This application has been filed with informal drawings which are acceptable for

examination purposes only. Formal drawings will be required when the application is allowed.

Specification

7.   Amendments to the specification to cure minor informalities in response to examiner's

objections are approved by examiner. Accordingly, the objections to the specification on these

grounds are withdrawn.

Claim Objections

8.   Claims 1-20 are objected to as failing to particularly point out and distinctly claim the

subject matter which applicant regards as his invention. See 37 C.F.R. § 1.75(a) and M.P.E.P.

§ 608.01(I).

The examiner has made several assumptions at this point of the examination, especially as

it relates to antecedent basis, that will be clear from reading the paragraphs concerning claim

objections below. These assumptions concern the examiner's suggestions of alternative claim

language which appear to add a clearer understanding to the claims. These assumptions are

carried through the remainder of the examination of the claimed limitations. Applicant should

inform the examiner in any response to this Office action if any of these assumptions are incorrect

and make appropriate changes to the claims.

Correction of the following is required:

Claim 1, lines 4-5 recite the limitation "obtaining credit card information relating to the

transaction from the consumer." The limitation should be modified to recite "obtaining credit

card information relating to the credit card transaction from the consumer." in order to have proper antecedent basis.

Claim 1, lines 6-7 recite the limitation "verifying the credit card information based upon transaction values." The limitation should be modified to recite "verifying the credit card information based upon credit card transaction values" in order to have proper antecedent basis.

Claim 1, lines 11-12 recite the limitation "wherein each of the transaction values." The limitation should be modified to recite "wherein each of the credit card transaction values" in order to have proper antecedent basis.

Claim 1, line 14 recite the limitation "of that value." The limitation should be modified to recite "of that credit card transaction value" in order to have proper antecedent basis.

Claim 2, lines 1-2 recite the limitation "wherein the verifying step further includes." The limitation should be modified to recite "wherein the verifying step (b) further includes" in order to have proper antecedent basis.

Claim 3, line 4 recites the limitation "information about transactions with the consumer and such other merchants." The limitation should be modified to recite "information about credit card transactions with the consumer and such other merchants" in order to have proper antecedent basis.

Claim 4, line 4 recites the limitation "information about transactions with the consumer and such other merchants." The limitation should be modified to recite "information about credit

card transactions with the consumer and such other merchants" in order to have proper antecedent basis.

Claim 10, lines 9-10 recite the limitation "utilizing mapped transactions to determine if the credit card transaction is valid." The limitation should be modified to recite "utilizing the map of credit card numbers to determine if the credit card transaction is valid" in order to have proper antecedent basis.

Claim 16, lines 13-14 recite the limitation "utilizing mapped transactions to determine if the credit card transaction is valid." The limitation should be modified to recite "utilizing the map of credit card numbers to determine if the credit card transaction is valid" in order to have proper antecedent basis.

Claim 20, lines 8-9 recite the limitation "utilizing mapped transactions to determine if the credit card transaction is valid." The limitation should be modified to recite "utilizing the map of credit card numbers to determine if the credit card transaction is valid" in order to have proper antecedent basis.

Examiner suggests reviewing the remainder of the claims not specifically mentioned for similar lack of antecedent type inconsistencies.

Allowable Subject Matter

9.   Claims 10, 16 and 20 would be allowable if rewritten to overcome the objections for lack of antecedent basis or any others set forth in this Office action and to include all of the limitations of the base claim and any intervening claims.

Claim Rejections - 35 USC § 103

10.	Claims 1-5, 7-9, 15 and 17-19 are rejected under 35 U.S.C. 103(a) as being unpatentable over Rose, U.S. Patent No. 5,757,917 in view of Gopinathan et al, U.S. Patent No. 5,819,226 in view of Tom, U.S. Patent No. 5,696,907, as being necessitated by amendment.

As per claim 1, Rose teaches a method for enabling users on the Internet to conduct commercial transactions involving credit card payments comprising the step of:

- **obtaining credit card information for a transaction** (see column 8, lines 1-3, after the buyer selects the goods or services that he wishes to purchase his credit card information is then sent to the merchant).

Rose does not explicitly teach:

- **verifying the credit card information based upon transaction values in combination with information that identifies the consumer, and that may provide an indication whether the credit card transaction is fraudulent.**

However, Gopinathan et al teach:

- **verifying credit card information based upon transaction values in combination with information that identifies the consumer, which may provide an indication of whether the credit card transaction is fraudulent** (*see* column 25, lines 65-67 and column 26, line 60, transaction processing component reads current transaction data and customer data and generates as output fraud scores representing the likelihood of fraud for each transaction).

It would have been obvious to one having ordinary skill in the art at the time of applicant's invention to combine Rose's method for enabling users on the Internet to conduct commercial transactions involving credit card payments with Gopinathan et al's teachings of verifying credit card information based upon transaction values in combination with information that identifies the consumer, which may provide an indication of whether the credit card transaction is fraudulent to get the advantage of considering a customer's past transaction history in light of his current attempted transaction to aid in determining whether the customer's attempted transaction data is similar to past transactions in order to recognize the possibility of fraud in the case that the attempted transaction is inconsistent with past transactions conducted by the same customer.

Neither Rose or Gopinathan et al teach:

- each of the transaction values being weighted according to an importance, as determined by the merchant or from past experience, of that value to the credit card transaction, so as to provide the merchant with a quantifiable indication of whether the credit card transaction is fraudulent.

However, Tom teaches:

- each of the transaction values being weighted according to an importance, as determined by the merchant or from past experience, of that value to the credit card transaction, so as to provide the merchant with a quantifiable indication of whether the credit card transaction is fraudulent (*see* column 5, lines 24-67 and column 6, lines 1-46; Figure 7, a neural network is used to provide risk and credit evaluations of newly proposed financial service

applications based upon a plurality of parameters which are weighted according to the information contained therein).

It would have been obvious to one having ordinary skill in the computer and business arts at the time of applicant's invention to combine the teachings found in Rose and Gopinathan et al with Tom's teachings, which shows weighting various parameters according to their importance in an instant credit application based upon a credit manager's past experience to provide indications of credit worthiness for purposes of evaluating financial service applications. One having ordinary skill in the computer and business arts at the time of applicant's invention would have been motivated to combine the Rose, Gopinathan et al and Tom's teachings to get the advantage of placing a greater significance upon certain weights over others in verifying whether an instant credit card transaction is fraudulent.

For example, one having ordinary skill in the computer and business arts at the time of applicant's invention would have realized that a parameter containing the cardholder's mother's maiden name should be weighted heavier than a parameter holding the cardholder's credit card enrollment date. Thus, one having ordinary skill in the computer and business arts at the time of applicant's invention would have surely realized that it would be advantageous for a system that detects credit card fraud to place greater emphasis on the accuracy of crucial data versus possible inconsistencies in less significant values.

As per claim 2, Rose does not explicitly teach:

- verifying credit card information based upon a plurality of parameters.

However, Gopinathan et al teaches:

- verifying credit card information based upon a plurality of parameters (*see* column 2, lines 27-43, an automated system for automating transactions that uses a neural network to evaluate individual customer accounts and identify potentially fraudulent transactions based on learned relationships among known variables).

It would have been obvious to one having ordinary skill in the computer and business arts at the time of applicant's invention to combine the teachings found in Rose and Tom with the Gopinathan et al teachings of verifying credit card information based upon a plurality of parameters to get the advantage of ensuring that a credit card transaction is not fraudulent by analyzing the information gleaned by a merchant in processing the transaction.

Neither Rose or Gopinathan et al explicitly teach:

- a plurality of parameters including:

   - a consistency check;

   - a history check;

   - an Internet identification system parameter.

However, Tom teaches:

- a plurality of parameters including:

   - a consistency check (see figure 7, residence stability, employment stability and miscellaneous);

   - a history check (see figure 7, credit history);

- **an Internet identification system parameter** (see figure 7, residence stability).

It would have been obvious to one having ordinary skill in the art at the time of applicant's invention to combine the teachings found in Rose and Gopinathan et al with the Tom teachings that show a plurality of parameters including a consistency check, a history check and an Internet identification system to get the advantage of preventing fraud by keeping track of the Internet address in connection with a credit card being used in a transaction to track where that specific credit card has been used before (other Internet addresses) that could be used to detect fraud in the case that data inconsistencies are detected.

Neither Rose, Gopinathan et al or Tom explicitly teach:

- an automatic verification system parameter.

However, Official Notice is taken that automatic verification systems were old and well known to those having ordinary skill in the computer and business arts at the time of applicant's invention. In addition, applicant admits that automatic verification systems are prior art. *See* specification, page 3, lines 2-3. It would have been obvious to one having ordinary skill in the art at the time of applicant's invention to combine the teachings found in Rose, Gopinathan et al and Tom and to further incorporate an old and well known automatic verification system to get the advantage of assessing whether a customer attempting to use a credit card is actually the true owner of the credit card.

As per claim 3, neither Rose, Gopinathan et al or Tom teach:

- a database that can be accessed and supplemented by other merchants with information about transactions with the consumer and such other merchants. However, Official Notice is taken that databases that could be accessed and supplemented by other merchants were old and well known in the computer and business arts at the time of applicant's invention. It would have been obvious to one having ordinary skill in the computer and business arts at the time of applicant's invention to combine the Rose, Gopinathan et al and Tom teachings and to incorporate into the history check parameter an old and well known database that could be accessed and supplemented by other merchants with information about transactions with the consumer and such other merchants to get the advantage of aiding a merchant in detecting fraud in a credit card transaction by having access to a customer's past transaction history data including a customer's prior dealings with that merchant and other merchants that could be used to detect fraud in the case that data inconsistencies are detected.

As per claim 4, neither Rose, Gopinathan et al or Tom teach:

- a database that can be accessed and supplemented by other merchants with information about transactions with the consumer and such other merchants. However, Official Notice is taken that databases that could be accessed and supplemented by other merchants were old and well known in the computer and business arts at the time of applicant's invention. It would have been obvious to one having ordinary skill in the computer and business arts at the time of applicant's invention to combine the Rose, Gopinathan et al and Tom teachings and to incorporate into the Internet identification system an old and well known database that could be

accessed and supplemented by other merchants with information about transactions with the

consumer and such other merchants to get the advantage of aiding a merchant in detecting fraud

in a credit card transaction by having access to a customer's past transaction history data

including a customer's prior dealings with that merchant and other merchants that could be used

to detect fraud in the case that data inconsistencies are detected.

Claim 5 contains the same limitations as claim 1, therefore the same rejection is applied.

Claim 7 contains the same limitations as claim 2, therefore the same rejection is applied.

Claim 8 contains the same limitations as claim 3, therefore the same rejection is applied.

Claim 9 contains the same limitations as claim 4, therefore the same rejection is applied.

Claim 15 contains the same limitations as claim 1, therefore the same rejection is applied.

Claim 17 contains the same limitations as claims 1 and 2 in combination, with the

exception of:

- communicating to the merchant an indication of whether the credit card information is

fraudulent.

Neither Rose or Tom explicitly teach the foregoing limitation, however, Gopinathan et al

teach:

- communicating to the merchant an indication of whether the credit card information is

fraudulent (*see* column 2, lines 27-43, an automated system for automating transactions that uses

a neural network to evaluate individual customer accounts to estimate a probability of fraud for

each transaction that may then be output to a human decision maker involved in processing the

transaction). It would have been obvious to one having ordinary skill in the computer and

business arts at the time of applicant's invention to combine the Rose and Tom teachings with the

Gopinathan et al teachings of communicating to the merchant an indication of whether the credit

card information is fraudulent to get the advantage of notifying a merchant that there is a

substantial risk that he may not receive payment for the goods or services being rendered.

Examiner notes that although Gopinathan et al does not explicitly teach communicating to

the merchant an indication of whether the credit card information is fraudulent <u>over the Internet</u>,

as set forth above, Rose teaches enabling users on the Internet to conduct transactions involving

credit card payments. It would have been obvious to one having ordinary skill in the computer

and business arts at the time of applicant's invention to incorporate the Gopinathan et al teachings

of communicating to the merchant an indication of whether the credit card information is

fraudulent into the Rose teachings, which shows transactions being performed over the Internet

and the Tom teachings to get the advantage of notifying an Internet merchant that there is a

substantial risk that he may not receive payment for the goods or services being rendered.

Claim 18 contains the same limitations as claim 3, therefore the same rejection is applied.

Claim 19 contains the same limitations as claim 4, with the exception of the shared

merchant database including:

- new Internet addresses as Internet address expansion occurs. However, as set forth above,

Official Notice is taken that shared merchant databases that could be accessed and supplemented

by other merchants were old and well known in the computer and business arts at the time of

applicant's invention. It would have been obvious to one having ordinary skill in the computer

and business arts at the time of applicant's invention to combine the teachings discussed for claim

4 and to incorporate a shared merchant database that could store Internet addresses to get the

advantage of being able to alarm potential fraud victims that a certain Internet address has been

connected with a fraudulent transaction in the past.

11.   Claims 11-14 are rejected under 35 U.S.C. 103(a) as being unpatentable over Rose, U.S.

Patent No. 5,757,917 in view of Sandberg-Diment, U.S. Patent No. 5,826,245 in view of Tom,

U.S. Patent No. 5,696,907, as discussed in Paragraph No. 12 of Paper No. 4.

Response to Arguments

12.   The following arguments filed 4/26/99 by applicant have been fully considered but are not

persuasive. Also, where appropriate, examiner will indicate such arguments that were fully

considered and are considered persuasive or where an amendment has rendered an issue moot.

I.   As per the rejection of claims 1-16 under 35 U.S.C. § 102(b) based upon an alleged public

use or sale, in consideration of applicant's persuasive argument and in light of the Arnold

Declaration (Paper No. 6), examiner withdraws the rejection of claims 1-16 on this ground.

II.   As per the rejection of claims 1-9 and 11-15 under 35 U.S.C. § 103, the rejections are

maintained (or new rejections raised in view of applicant's amendments or addition of new claims)

due to applicant's unpersuasive argument as set forth in sections 10 and 11 of this action.

Applicant's arguments on pages 16 through the top of page 18 fail to comply with 37

CFR 1.111(b) because they amount to a general allegation that the claims define a patentable

invention without specifically pointing out how the language of the claims patentably distinguishes them from the references.

Applicant's first argument directed to the patentability of the claims over the cited prior art (*see* page 18, first full paragraph) refers to the plurality of parameters taught by Sandberg-Diment, as cited by examiner in Paragraph No. 12 of Paper No. 4. Applicant argues that the plurality of parameters used in verifying a consumer's credit card information in the Sandberg-Diment teaching differs from the claimed "plurality of parameters" of the instant invention.

Examiner finds this argument unavailing. As per claim 1, the claim language merely recited a "plurality of parameters" used in verifying a transaction. Further, claims 5, 11 and 15 continue to recite a "plurality of parameters." This claim limitation could not be stated more broadly. As asserted in the prior action (Paragraph No. 12 of Paper No. 4), Sandberg-Diment teaches a "plurality of parameters" used in verifying a transaction. Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. *In re Van Guens*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

Thus, interpreting the originally claimed "plurality of parameters" of claim 1 or the instant "plurality of parameters" limitation present in claims 5, 11 and 15 so as to be interpreted as specific parameters *that may have been disclosed* but not claimed would be improperly reading limitations from the specification into the claims. With regard to claim 1, applicant's amendment so as to delete the limitation "a plurality of parameters" has rendered this issue moot, as the amendment necessitated the inclusion of the Gopinathan et al reference to address the newly

added claim limitations, specifically, further defining the "plurality of parameters." However, with regard to claims 5, 11 and 15, the above reasoning applies in support of the prior rejection, which is maintained.

Applicant next attempts to distinguish the "parameters" taught by the Tom reference from the parameters of the instant invention. However, examiner submits that the Tom teachings were not intended nor stated to show that "parameters" were well known in the prior art. Rather, examiner introduced the Tom reference to show that the concept of <u>weighting</u> various parameters to demonstrate the importance of certain parameters over others in evaluating credit was old and well known in the business arts.

Applicant's argument tendered on page 20, first full paragraph, seems to assert that the Tom reference is non-analogous art. Despite applicant's vague assertion, examiner would like to point out that courts have held that a prior art reference must either be in the field of applicant's endeavor or, if not, then be reasonably pertinent to the particular problem with which the applicant was concerned, in order to be relied upon as a basis for rejection of the claimed invention. *In re Oetiker*, 977 F.2d 1443, 24 USPQ2d 1443, 1445 (Fed. Cir. 1992). Clearly, the Tom reference falls within the field of applicant's endeavor, namely the credit industry. Although determining one's credit worthiness and determining whether a credit card transaction is fraudulent are not the exact same activities, they both certainly pertain to the credit industry.

One having ordinary skill in the credit industry would have been aware of the Tom teachings and their potential applicability within various aspects of the credit industry. In

addition, Sandberg-Diment taught verifying credit card transactions, i.e., preventing fraud. The

test for obviousness is not whether the features of a secondary reference may be bodily

incorporated into the structure of the primary reference; nor is it that the claimed invention must

be expressly suggested in any one or all of the references. Rather, the test is what the combined

teachings of the references would have suggested to those of ordinary skill in the art. *In re*

Keller, 642 F.2d 413, 208 USPQ 871 (CCPA 1981).

Moreover, applicant argues that examiner's conclusions of obviousness in combining the

Rose, Sandberg-Diment and Tom teachings is based upon improper hindsight reasoning.

Examiner submits, however, that it must be recognized that any judgment on obviousness is in a

sense necessarily a reconstruction based upon hindsight reasoning. In making an obviousness

conclusion, as long as examiner only considers knowledge that was within the level of ordinary

skill at the time the claimed invention was made, and does not include knowledge gleaned only

from the applicant's disclosure, such a reconstruction is proper. *In re McLaughlin*, 443 F.2d

1392; 170 USPQ 209 (CCPA 1971). Examiner submits that he has cited sufficient prior art and

explained the motivations for combining the references so as to overcome the requirement of not

including knowledge gleaned only from the applicant's disclosure.

Next, applicant argues that "TOM does not teach a method for detecting fraud in a credit

card transaction between a consumer and a merchant over the Internet." *See* page 21, last

paragraph. Again, applicant is attempting to argue that certain limitations are not taught by Tom,

which examiner never asserted in the first place. By stating that "Tom teaches a method for

detecting fraud in a credit card transaction between a consumer and a merchant over the Internet

wherein . . ," it should be painfully obvious to applicant that examiner was merely restating

applicant's preamble for purposes of clarity.

Applicant argues that the Tom reference does not teach a consistency check parameter,

which is used to determine whether the credit card information is consistent. Apart from what is

disclosed in the specification, the claims merely recite a 'consistency check parameter,' which is

incredibly broad. The Tom reference teaches storing data representing a person's employment or

residence stability. In determining whether or not one is credit worthy, an important factor would

be whether the person moves from one residence (or employment) frequently. If one is found to

be unstable in either respects, they are considered to be a greater credit risk. According to the

Webster's II Dictionary, "stable" is defined as being "[c]onsistently dependable." *See* Webster's

II, New Riverside University Dictionary, Houghton Mifflin Company, page 1129 (emphasis

added).

Applicant argues that Tom does not show a history check parameter, and that applicant's

history check parameter is not credit history information but information about prior transactions.

In the first place, applicant does not claim a "transaction history check parameter." Therefore,

interpreting the limitation of a "history check parameter" as broadly as possible, one having

ordinary skill in the computer and business arts could interpret Tom's "credit history" as reading

on applicant's "history check." Second, even if applicant claimed a "transaction history check,"

this limitation, being interpreted as broadly as possible, would still read on Tom's "credit history" as one's credit history will contain information regarding prior transactions.

Applicant next argues that Tom does not teach an Internet identification system parameter, which applicant teaches verifies "whether the Internet address [of the consumer] is consistent with other Internet addresses being used in transactions utilizing this credit card." *See* page 23, top. Again, applicant fails to claim these limitations, although they are disclosed. Examiner reminds applicant that although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. *In re Van Guens*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

The "residence stability" of the Tom reference was cited by examiner to show that it was known in the prior art, specifically in the credit industry, that data concerning one's past locations (i.e., their past residences) is useful in determining whether they are a credit risk or not. One skilled in the credit industry would have realized the portability of this concept in determining where one has made past credit card transactions on the Internet, to aid in making a determination of whether fraud is connected with the instant transaction.

Applicant's remarks at the top of page 24 on the quotation from examiner's prior action (Paper No. 4) indicate that he was unsure what examiner was seeking to convey by his statement. Bluntly stated, the statement cited by applicant quoting examiner was a motivation for combining references. Examiner submits that the statement was based on a cited reference as it was made to provide a motivation for combining references.

In response to applicant's mere conclusory statement that examiner's statement was based upon improper hindsight reasoning, it must be recognized that any judgment on obviousness is in a sense necessarily a reconstruction based upon hindsight reasoning. However, as long as examiner took into account only knowledge that was within the level of ordinary skill at the time the claimed invention was made, and does not include knowledge gleaned only from the applicant's disclosure, such a reconstruction is proper. *In re McLaughlin*, 443 F.2d 1392; 170 USPQ 209 (CCPA 1971). Examiner submits, again, that he has cited sufficient prior art and explained the motivations for combining the references so as to satisfy the requirement of not including knowledge gleaned only from the applicant's disclosure.

Furthermore, applicant asserts that examiners may not pick and choose elements of a claimed combination in order to reject the whole claim. However, applicant did not specify which claim examiner allegedly rejected based upon finding one limitation to be obvious and ignoring the rest. Notwithstanding the foregoing, examiner submits that he has addressed each limitation in all of the claims.

With respect to claims 3 and 4, examiner took Official Notice that databases that could be accessed and supplemented by other merchants were old and well known in the arts. Applicant contests the foregoing, as not being well known in the art. In response to applicant's challenge, evidence is submitted herewith this action to support examiner's original and maintained rejections asserting Official Notice.

In response to applicant's argument advanced on page 27, first full paragraph, examiner asserts that it was a proper motivation. Examiner simply stated one motivation for combining all of the prior art references. Specifically, examiner reasoned that including an old and well known shared merchant database would be necessary in order for a merchant to get as complete and accurate an indication of whether an instant transaction is fraudulent as is possible, since people normally buy products or services from more than one merchant, as the submitted evidence in response to applicant's Official Notice challenge teaches.

Examiner did not intend that there is absolutely no way to detect credit card fraud without the use of a shared merchant database. For example, it is clearly possible for a person to manually dig a hole in the ground using a spoon, although not very practical. Arguably, the preferred means to manually dig a hole in the ground would be to use a shovel. Thus, one could say that the only way for a person to manually dig a hole in the ground would be to use a shovel. In making that statement, common sense tells one that the use of a spoon is not excluded as a means to dig a hole. However, common sense also tells one that the statement merely states the best means for digging a hole, which arguably is to use a shovel.

Conclusion

13.   Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for response to this final action is set to expire THREE

MONTHS from the date of this action. In the event a first response is filed within TWO

MONTHS of the mailing date of this final action and the advisory action is not mailed until after

the end of the THREE-MONTH shortened statutory period, then the shortened statutory period

will expire on the date the advisory action is mailed, and any extension fee pursuant to 37

CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event will the

statutory period for response expire later than SIX MONTHS from the date of this final action.

14. The prior art made of record and not relied upon is considered pertinent to applicant's

disclosure.

- "Check Fraud: Verification Firms Help Cut $2.9 Billion Loss," Stanley H. Slom, Stores, teaches

a shared retail database, containing bad-check information, that may be supplemented by and

accessed by retailers to determine whether a transaction is fraudulent.

- "Faster Credit Card Authorization," anonymous, Chain Store Age Executive with Shopping

Center Age, New York, teaches a Point Of Sale Express System that can verify checks and

credit/debit cards within five seconds and, through its national database, identify more high-risk

checks at the point of sale.

- "ICS CommerceFLEX Developer's Guide and Reference," Revision 2.03, CyberSource

Corporation.

- "Internet Commerce Services," CyberSource Corporation.

- "Electronic Software Distribution," CyberSource Corporation.

- "Advertising Opportunities," CyberSource Corporation.

- "Customer Profile," CyberSource Corporation.

- "Shopping for Software Object on the Web," Communications Week.

- "Where to Buy Objects Over The Internet," Information Week.

- "Security for Computer Networks: An Introduction to Data Security in Teleprocessing and

Electronic Funds Transfer," John Wiley & Sons.

- Ronen et al., U.S. Patent No. 5,905,736.

- Penzias, U.S. Patent No. 5,311,594.

- Ray et al., U.S. Patent No. 5,321,751.

- Kight et al., U.S. Patent No. 5,383,113.

- Chen et al., U.S. Patent No. 5,590,197.

15.   Any inquiry concerning this communication or earlier communications from the examiner

should be directed to John Campa whose telephone number is (703) 305-1382. The examiner

normally may be reached Monday-Thursday from 7:30 AM to 6:00 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor,

Allen MacDonald, may be reached at (703) 305-9708.

The fax number for Formal or Official faxes to Technology Center 2700 is (703) 308-9051

or 9052. Draft or Informal faxes for this Art Unit may be submitted to (703)305-1396.

Any inquiry of a general nature or relating to the status of this application should be

directed to the Group receptionist whose telephone number is (703) 305-3900.

ALLEN R. MACDONALD
SUPERVISORY PATENT EXAMINER